

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

A280.377
C732

COMPILATION
OF THE PROVISIONS
OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938,
AS AMENDED, RELATING SPECIFICALLY TO PEANUT MARKETING QUOTAS

September 4, 1956



Prepared by the Oils and Peanut Division,
Commodity Stabilization Service
in Cooperation with the
Office of the General Counsel
of the
United States Department of Agriculture

UNITED STATES
DEPARTMENT OF AGRICULTURE
LIBRARY



BOOK NUMBER A280.377
314951 C732

	<u>PAGE</u>
Sec. 1 Short title.	1
Sec. 2 Declaration of policy.	1
Sec. 301 Definitions.	1
Sec. 304 Consumer safeguards.	3
Sec. 357 Legislative findings.	3
Sec. 358 Application of provisions for proclamation of National quota, conducting referendum and establishing acreage allotments.	3
Sec. 359 Marketing penalties.	7
Sec. 361 Publication and review of quota.	8
Sec. 362 Publication and notice of quota.	8
Sec. 363 Review by review committee.	8
Sec. 364 Review committee.	9
Sec. 365 Institution of proceedings.	9
Sec. 366 Court review.	9
Sec. 367 Stay of proceedings and exclusive jurisdiction.	10
Sec. 368 No effect on other quotas.	10
Sec. 371 General adjustment of quotas.	10
Sec. 372 Payment, collection, and refund of penalties.	11
Sec. 373 Reports and Records.	11
Sec. 374 Measurement of farms and report of plantings.	12
Sec. 375 Regulations.	12
Sec. 376 Court jurisdiction.	13
Sec. 377 Preservation of unused acreage allotment.	13
Sec. 388 Utilization of local agencies.	13

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS
AMENDED

AN ACT

To provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Adjustment Act of 1938." (7 U.S.C. 1281).

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress to continue the Soil Conservation and Domestic Allotment Act, as amended, for the purpose of conserving national resources, preventing the wasteful use of soil fertility, and of preserving, maintaining, and rebuilding the farm and ranch land resources in the national public interest; to accomplish these purposes through the encouragement of soil-building and soil-conserving crops and practices; to assist in the marketing of agricultural commodities for domestic consumption and for export; and to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an orderly, adequate, and balanced flow of such commodities in interstate and foreign commerce through storage reserve supplies, loans, marketing quotas, assisting farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income, and assisting consumers to obtain an adequate and steady supply of such commodities at fair prices. (7 U.S.C. 1282).

TITLE III--PARITY PAYMENTS, CONSUMER
SAFEGUARDS, AND MARKETING QUOTAS

SUBTITLE A--Definitions, Parity Payments, and
Consumer Safeguards

DEFINITIONS

SEC. 301. (B) "Actual production" of any number of acres of cotton, rice, or peanuts on a farm means the actual average yield for the farm times such number of acres.

(3) (A) "Carry-over" in the case of ... peanuts ... for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of each marketing year, not including any quantity which was produced in the United States during the calendar year then current. (7 U.S.C. 1301 (b)).

SEC. 8 (e)

(6) (B) "Marketed," "marketing," and "for market" shall have corresponding meanings to the term "market" in the connection in which they are used.

SEC. 8 (e) Continued

(C) "Market," in the case of peanuts, means to dispose of peanuts, including farmers' stock peanuts, shelled peanuts, cleaned peanuts, or peanuts in the processed form, by voluntary or involuntary sale, barter, or exchange, or by gift inter vivos.

(10) (A) "Normal supply" in the case of ...peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which the normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which the normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply:... 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustment for current trends in consumption and for unusual conditions as he may deem necessary.

(13) (B) "Normal yield" for any county, in the case of ... peanuts, shall be the average yield per acre of ... peanuts for the county, adjusted for abnormal weather conditions, during the five calendar years immediately preceding the year in which such normal yield is determined.

(C) In applying subparagraph "B" above, if for any such year the data is not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year. In applying subparagraph "B", if, on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield in any year of such ten-year period or five-year period, as the case may be, is less than 75 per centum of the average (computed without regard to such year) such year shall be eliminated in calculating the normal yield per acre.

(E) "Normal yield" for any farm, in the case of ... peanuts, shall be the average yield per acre of ... peanuts, ..., for the farm, adjusted for abnormal weather conditions ..., during the ... five calendar years ..., immediately preceding the year in which such normal yield is determined. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, and the yield in years for which data are available.

(16) (A) "Total supply" of ... peanuts for any marketing year shall be the carry-over of the commodity for such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year. (7 U.S.C. 1301 (b)).

(c) The latest available statistics of the Federal Government shall be used by the Secretary in making the determinations required to be made by the Secretary under this Act. (7 U.S.C. 1301 (c)).

SEC. 8 (e) Continued

(d) In making any determination under this Act or under the Agricultural Act of 1949 with respect to the carry-over of any agriculture commodity, the Secretary shall exclude from such determination the stocks of any commodity acquired pursuant to, or under the authority of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). (7 U.S.C. 1301 (d)).

CONSUMER SAFEGUARDS

SEC. 304. The powers conferred under this Act shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929 inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities. In carrying out the purpose of this Act it shall be the duty of the Secretary to give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair to both producers and consumers. (7 U.S.C. 1304).

SUBTITLE B—MARKETING QUOTAS—PEANUTS

LEGISLATIVE FINDINGS

SEC. 357. The production, marketing, and processing of peanuts and peanut products employs a large number of persons and is of national interest. The movement of peanuts from producer to consumer is preponderantly in interstate and foreign commerce, and, owing to causes beyond their control, the farmers producing such commodity and the person engaged in the marketing and processing thereof are unable to regulate effectively the orderly marketing of the commodity. As the quantity of peanuts marketed in the channels of interstate and foreign commerce increases above the quantity of peanuts needed for cleaning and shelling, the prices at which all peanuts are marketed are depressed to low levels. These low prices tend to cause the quantity of peanuts available for marketing in later years to be less than normal, which in turn tends to cause relatively high prices. This fluctuation of prices and marketings of peanuts creates an unstable and chaotic condition in the marketing of peanuts for cleaning and shelling and for crushing for oil in the channels of interstate and foreign commerce. Since these unstable and chaotic conditions have existed for a period of years and are likely, without proper regulation, to continue to exist, it is imperative that the marketing of peanuts for cleaning and shelling and for crushing for oil in interstate and foreign commerce be regulated in order to protect producers, handlers, processors, and consumers. (7 U.S.C. 1357).

MARKETING QUOTAS

SEC. 358. (a) Between July 1 and December 1 of each calendar year

the Secretary shall proclaim the amount of the national marketing quota for peanuts for the crop produced in the next succeeding calendar year in terms of the total quantity of peanuts which will make available for marketing a supply of peanuts from the crop with respect to which the quota is proclaimed equal to the average quantity of peanuts harvested for nuts during the five years immediately preceding the year in which such quota is proclaimed, adjusted for current trends and prospective demand conditions, and the quota so proclaimed shall be in effect with respect to such crop. The national marketing quota for peanuts for any year shall be converted to a national acreage allotment by dividing such quota by the normal yield per acre of peanuts for the United States determined by the Secretary on the basis of the average yield per acre of peanuts in the five years preceding the year in which the quota is proclaimed, with such adjustments as may be found necessary to correct for trends in yields and for abnormal conditions of production affecting yields in such five years: Provided, That the national marketing quota established for the crop produced in the calendar year 1941 shall be a quantity of peanuts sufficient to provide a national acreage allotment of not less than one million six hundred and ten thousand acres, and that the national marketing quota established for any subsequent year shall be a quantity of peanuts sufficient to provide a national acreage allotment of not less than that established for the crop produced in the calendar year 1941. (7 U.S.C. 1358 (a)).

(b) Not later than December 15 of each calendar year the Secretary shall conduct a referendum of farmers engaged in the production of peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to marketing quotas with respect to the crops of peanuts produced in the three calendar years immediately following the year in which the referendum is held, except that, if as many as two-thirds of the farmers voting in any referendum vote in favor of marketing quotas, no referendum shall be held with respect to quotas for the second and third years of the period. The Secretary shall proclaim the results of the referendum within thirty days after the date on which it is held, and, if more than one-third of the farmers voting in the referendum vote against marketing quotas, the Secretary also shall proclaim that marketing quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held. (7 U.S.C. 1358 (b)).

(c) (1) The national acreage allotment for 1951, less the acreage to be allotted to new farms under subsection (f) of this section, shall be apportioned among the States on the basis of the larger of the following for each State: (a) The acreage allotted to the State as its share of the 1950 national acreage allotment of two million one hundred thousand acres, or (b) the State's share of two million one hundred thousand acres apportioned to States on the basis of the average acreage harvested for nuts in each State in the five years 1945-49: Provided, That any allotment so determined for any State which is less than the 1951 State allotment announced by the Secretary prior to the enactment of this Act shall be increased to such announced allotment and the acreage required for such increases shall be in addition to the 1951 national acreage allotment and shall be considered in determining State acreage allotments in future years. For any year subsequent to 1951, the national acreage allotment for that year, less the

SEC. 358. (c) Continued

acreage to be allotted to new farms under subsection (f) of this section, shall be apportioned among the States on the basis of their share of the national acreage allotment for the most recent year in which such apportionment was made.

(2) Notwithstanding any other provision of law, if the Secretary of Agriculture determines, on the basis of the average yield per acre of peanuts by types during the preceding five years, adjusted for trends in yields and abnormal conditions of production affecting yields in such five years, that the supply of any type or types of peanuts for any marketing year, beginning with the 1951-52 marketing year, will be insufficient to meet the estimated demand for cleaning and shelling purposes at prices at which the Commodity Credit Corporation may sell for such purposes peanuts owned or controlled by it, the State allotments for those States producing such type or types of peanuts shall be increased to the extent determined by the Secretary to be required to meet such demand but the allotment for any State, may not be increased under this provision above the 1947 harvested acreage of peanuts for such State. The total increase so determined shall be apportioned among such States for distribution among farms producing peanuts of such type or types on the basis of the average acreage of peanuts of such type or types in the three years immediately preceding the year for which the allotments are being determined. The additional acreage so required shall be in addition to the national acreage allotment, the production from such acreage shall be in addition to the national marketing quota, and the increase in acreage allotted under this provision shall not be considered in establishing future State, county, or farm acreage allotments. (7 U.S.C. 1358 (c)).

(d) The Secretary shall provide for apportionment of the State acreage allotment for any State through local committees among farms on which peanuts were grown in any of the three years immediately preceding the year for which such allotment is determined. The State acreage allotment for 1952 and any subsequent year shall be apportioned among farms on which peanuts were produced in any one of the 3 calendar years immediately preceding the year for which such apportionment is made, on the basis of the following: Past acreage of peanuts, taking into consideration the acreage allotments previously established for the farm; abnormal conditions affecting acreage; land, labor, and equipment available for the production of peanuts; crop-rotation practices; and soil and other physical factors affecting the production of peanuts. Any acreage of peanuts harvested in excess of the allotted acreage for any farm for any year shall not be considered in the establishment of the allotment for the farm in succeeding years. The amount of the marketing quota for each farm shall be the actual production of the farm acreage allotment, and no peanuts shall be marketed under the quota for any farm other than peanuts actually produced on the farm. (7 U.S.C. 1358 (d)).

(e) Notwithstanding the foregoing provisions of this section, the Secretary may, if the State committee recommends such action and the Secretary determines that such action will facilitate the effective administration of the provisions of the Act, provide for the apportionment of the

SEC. 358 (d) Continued

State acreage allotment for 1952 and any subsequent year among the counties in the State on the basis of the past acreage of peanuts harvested for nuts (excluding acreage in excess of farm allotments) in the county during the five years immediately preceding the year in which such apportionment is made, with such adjustments as are deemed necessary for abnormal conditions affecting acreage, for trends in acreage, and for additional allotments for types of peanuts in short supply under the provisions of subsection (c). The county acreage allotment shall be apportioned among farms on the basis of the factors set forth in subsection (d) of this section. (7 U.S.C. 1358 (e)).

(f) Not more than one per centum of the national acreage allotment shall be apportioned among farms on which peanuts are to be produced during the calendar year for which the allotment is made but on which peanuts were not produced during any of the past three years, on the basis of the following: Past peanut-producing experience by the producers; land, labor, and equipment available for the production of peanuts; crop-rotation practices; and soil and other physical factors affecting the production of peanuts. (7 U.S.C. 1358 (f)).

(g) Any part of the acreage allotted to individual farms under the provisions of this section on which peanuts will not be produced and which is voluntarily surrendered to the county committee shall be deducted from the allotments to such farms and may be reapportioned by the county committee to other farms in the same county receiving allotments, in amounts determined by the county committee to be fair and reasonable on the basis of land, labor, and equipment available for the production of peanuts, crop-rotation practices, and soil and other physical factors affecting the production of peanuts. Any transfer of allotments under this provision shall not operate to reduce the allotment for any subsequent year for the farm from which acreage is transferred, except as the farm becomes ineligible for an allotment by failure to produce peanuts during a three-year period, and any such transfer shall not operate to increase the allotment for any subsequent year for the farm to which the acreage is transferred: Provided, That, notwithstanding any other provisions of this Act, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. (7 U.S.C. 1358 (g)).

(h) Notwithstanding any other provision of this section, the allotment determined or which would have been determined for any land which is removed from agricultural production in 1950 or any subsequent year for any purpose because of acquisition by any Federal, State, or other agency having a right of eminent domain shall be placed in a pool and shall be available for use in providing equitable allotments for farms owned or acquired by owners displaced because of acquisition of their farms by such agencies. Upon application to the county committee, within five years from the date of such acquisition of the farm, any owner so displaced shall be entitled to have an allotment for any other farm owned or acquired by him equal to an allotment which would have been determined for such other farm plus the allotment which would have been determined for the farm so acquired: Provided, That such allotment shall not exceed 50 per centum of the acreage of cropland on the farm.

SEC. 358 (h) Continued

The provisions of this section shall not be applicable if (a) there is any marketing quota penalty due with respect to the marketing of peanuts from the farm acquired by the Federal, State, or other agency or by the owner of the farm; (b) any peanuts produced on such farm have not been accounted for as required by the Secretary; or (c) the allotment next established for the farm acquired by the Federal, State, or other agency would have been reduced because of false or improper identification of peanuts produced on or marketed from such farm. (7 U.S.C. 1358 (h)).

MARKETING PENALTIES

SEC. 359 (a) The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 percentum of the support price for peanuts for the marketing year (August 1-July 31). Such penalty shall be paid by the person who buys or otherwise acquires the peanuts from the producer, or, if the peanuts are marketed by the producer through an agent, the penalty shall be paid by such agent, and such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer. The Secretary may require collection of the penalty upon a portion of each lot of peanuts marketed from the farm equal to the proportion which the acreage of peanuts in excess of the farm acreage allotment is of the total acreage of peanuts on the farm. If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or the proceeds thereof shall be jointly and severally liable for the amount of the penalty. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States and such amounts as are determined, in accordance with regulations prescribed by the Secretary, to be penalties incurred shall be transferred to the general fund of the Treasury of the United States. Amounts collected in excess of determined penalties shall be paid to such producers as the Secretary determines, in accordance with regulations prescribed by him, bore the burden of the payment of the amount collected. Such special account shall be administered by the Secretary and the basis for, the amount of, and the producer entitled to receive a payment from such account, when determined in accordance with regulations prescribed by the Secretary, shall be final and conclusive. Peanuts produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins. If any producer falsely identifies or fails to account for the disposition of any peanuts, an amount of peanuts equal to the normal yield of the number of acres harvested in excess of the farm acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm, and the penalty in respect thereof shall be paid and remitted by the producer. If any amount of peanuts produced on one farm is falsely identified by a representation that such peanuts were produced on another farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quotas, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of peanuts is not furnished as required by the Secretary, the acreage allotment next established for the farm on which such

SEC. 359. (a) Continued

peanuts are produced shall be reduced by a percentage similarly computed. Notwithstanding any other provisions of this title, no refund of any penalty shall be made because of peanuts kept on the farm for seed or for home consumption. (7 U.S.C. 1359 (a)).

(b) The provisions of this part shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less. (7 U.S.C. 1359 (b)).

(c) The word "peanuts" for the purposes of this Act shall mean all peanuts produced, excluding any peanuts which it is established by the producer or otherwise, in accordance with regulations of the Secretary, were not picked or threshed either before or after marketing from the farm. (7 U.S.C. 1359) (c).

(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty. (7 U.S.C. 1359 (d); 70 Stat. 205).

(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States. (7 U.S.C. 1359 (e); 70 Stat. 205).

PUBLICATION AND REVIEW OF QUOTA

SEC. 361. This Part shall apply to the publication and review of farm marketing quotas established for ... peanuts ..., established under subtitle B. (7 U.S.C. 1361).

PUBLICATION AND NOTICE OF QUOTA

SEC. 362. All acreage allotments, and the farm marketing quotas established for farms in a county or other local administrative area shall, in accordance with regulations of the Secretary, be made and kept freely available for public inspection in such county or other local administrative area. An additional copy of this information shall be kept available in the office of the county agricultural extension agent or with the chairman of the local committee. Notice of the farm marketing quota of his farm shall be mailed to the farmer. Notice of the farm acreage allotment established for each farm shown by the records of the county committee to be entitled to such allotment shall insofar as practicable be mailed to the farm operator in sufficient time to be received prior to the date of the referendum. (7 U.S.C. 1362).

REVIEW BY REVIEW COMMITTEE

SEC. 363. Any farmer who is dissatisfied with his farm marketing quota, may within fifteen days after mailing to him of notice as provided in section 362, have such quota reviewed by a local review committee composed of three farmers from the same or nearby counties appointed by the Secretary. Such committee shall not include any member of the local committee which determined the farm acreage allotment, the normal yield, or the farm marketing

SEC. 363 Continued

quota for such farm. Unless application for review is made within such period, the original determination of the farm marketing quota shall be final. (7 U.S.C. 1363).

REVIEW COMMITTEE

SEC. 364. The members of the review committee shall receive as compensation for their services the same per diem as that received by the members of the committee utilized for the purposes of the Soil Conservation and Domestic Allotment Act, as amended. The members of the review committee shall not be entitled to receive compensation for more than thirty days in any one year. (7 U.S.C. 1364).

INSTITUTION OF PROCEEDINGS

SEC. 365. If the farmer is dissatisfied with the determination of the review committee, he may, within fifteen days after a notice of such determination is mailed to him by registered mail, file a bill in equity against the review committee as defendant in the United States district court, or institute proceedings for review in any court of record of the State having general jurisdiction, sitting in the county or the district in which his farm is located, for the purpose of obtaining a review of such determination. Bond shall be given in an amount and with surety satisfactory to the court to secure the United States for the costs of the proceeding. The bill of complaint in such proceeding may be served by delivering a copy thereof to any one of the members of the review committee. Thereupon the review committee shall certify and file in the court a transcript of the record upon which the determination complained of was made, together with its findings of fact. (7 U.S.C. 1365).

COURT REVIEW

SEC. 366. The review by the court shall be limited to questions of law, and the findings of fact by the review committee, if supported by evidence, shall be conclusive. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the review committee, the court may direct such additional evidence to be taken before the review committee in such manner and upon such terms and conditions as to the court may seem proper. The review committee may modify its findings of fact or its determination by reason of the additional evidence so taken, and it shall file with the court such modified findings or determination, which findings of fact shall be conclusive. At the earliest convenient time, the court, in term time or vacation, shall hear and determine the case upon the original record of the hearing before the review committee, and upon such record as supplemented, if supplemented, by further hearing before the review committee pursuant to direction of the court. The court shall affirm the review committee's determination, or modified determination, if the court determines that the same is in accordance with law. If the court determines that

SEC. 366. Continued

such determination or modified determination is not in accordance with law, the court shall remand the proceeding to the review committee with direction either to make such determination as the court shall determine to be in accordance with law or to take such further proceedings as, in the court's opinion, the law requires. (7 U.S.C. 1366).

STAY OF PROCEEDINGS AND EXCLUSIVE JURISDICTION

SEC. 367. The commencement of judicial proceedings under this Part shall not, unless specifically ordered by the court, operate as a stay of the review committee's determination. Notwithstanding any other provision of law, the jurisdiction conferred by this Part to review the legal validity of a determination made by a review committee pursuant to this Part shall be exclusive. No court of the United States or of any State shall have jurisdiction to pass upon the legal validity of any such determination except in a proceeding under this part. (7 U.S.C. 1367).

NO EFFECT ON OTHER QUOTAS

SEC. 368. Notwithstanding any increase of any farm marketing quota for any farm as a result of review of the determination thereof under this Part, the marketing quotas for other farms shall not be affected. (7 U.S.C. 1368).

GENERAL ADJUSTMENTS OF QUOTAS

SEC. 371. (a) If at any time the Secretary has reason to believe that in the case of ...peanuts... the operation of farm marketing quotas in effect will cause the amount of such commodity which is free of marketing restrictions to be less than the normal supply for the marketing year for the commodity then current, he shall cause an immediate investigation to be made with respect thereto. In the course of such investigation due notice and opportunity for hearing shall be given to interested persons. If upon the basis of such investigation the Secretary finds the existence of such fact, he shall proclaim the same forthwith. He shall also in such proclamation specify such increase in, or termination of, existing quotas as he finds, on the basis of such investigation, is necessary to make the amount of such commodity which is free of marketing restrictions equal the normal supply. (7 U.S.C. 1371 (a)).

(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national marketing quota or acreage allotment for ...peanuts... should be increased or terminated, he shall cause an immediate investigation to be made to determine whether the increase or termination is necessary in order to effect the declared policy of this Act or to meet such emergency or increase in export demand. If, on the basis of such investigation, the Secretary finds that such increase or termination is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quota or allotment shall be increased, or shall terminate, as the case may be. (7 U.S.C. 1371 (b)).

SEC. 371. (c) Continued

(c) In case any national marketing quota or acreage allotment for any commodity is increased under this section, each farm marketing quota or acreage allotment for the commodity shall be increased in the same ratio. (7 U.S.C. 1371 (c)).

PAYMENT AND COLLECTION OF PENALTIES

SEC. 372. (b) All penalties provided for in Subtitle B shall be collected and paid in such manner, at such times, and under such conditions as the Secretary may by regulations prescribe. Such penalties shall be remitted to the Secretary by the person liable for the penalty, except that if any other person is liable for the collection of the penalty, such other person shall remit the penalty. The amount of such penalties shall be covered into the general fund of the Treasury of the United States. (7 U.S.C. 1372 (b)).

(c) Whenever, pursuant to a claim filed with the Secretary within two years after payment to him of any penalty collected from any person pursuant to this Act, the Secretary finds that such penalty was erroneously, illegally, or wrongfully collected and the claimant bore the burden of the payment of such penalty, the Secretary shall certify to the Secretary of the Treasury for payment to the claimant, in accordance with regulations prescribed by the Secretary of the Treasury, such amount as the Secretary finds the claimant is entitled to receive, as a refund of such penalty.

Notwithstanding any other provision of law, the Secretary is authorized to prescribe by regulations for the identification of farms and it shall be sufficient to schedule receipts into special deposit accounts or to schedule such receipts for transfer therefrom, or directly, into the separate fund provided for in subsection (b) hereof by means of such identification without reference to the names of the producers on such farms.

The Secretary is authorized to prescribe regulations governing the filing of such claims and the determination of such refunds. (7 U.S.C. 1372 (c)).

(d) No penalty shall be collected under this Act with respect to the marketing of any agricultural commodity grown for experimental purposes only by any publicly owned agricultural experiment station. (7 U.S.C. 1372 (d)).

REPORTS AND RECORDS

SEC. 373. (a) This subsection shall apply to warehousemen, processors, and common carrier of ...peanuts... and all persons engaged in the business of purchasing ...peanuts,... from producers, all brokers and dealers in peanuts, all agents marketing peanuts for producers, or acquiring peanuts for buyers and dealers, and all peanut growers' cooperative associations, all persons engaged in the business of cleaning, shelling, crushing, and salting of peanuts and the manufacture of peanut products,

SEC. 373. (a) Continued

and all persons owning or operating peanut-picking or peanut-threshing machines. Any such person shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this title. Such information shall be reported and such records shall be kept in accordance with forms which the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of such person. Any such person failing to make any report or keep any record as required by this subsection or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500.... (7 U.S.C. 1373 (a)).

(b) Farmers engaged in the production of ...peanuts,... for market shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports, storage under seal, or otherwise as the Secretary may prescribe as necessary for the administration of this title. (7 U.S.C. 1373 (b)).

(c) All data reported to or acquired by the Secretary pursuant to this section shall be kept confidential by all officers and employees of the Department, and only such data so reported or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing under this title. (7 U.S.C. 1373 (c)).

MEASUREMENT OF FARMS AND REPORT OF PLANTINGS

SEC. 374. (a) The Secretary shall provide, through the county and local committees, for measuring farms on which ...peanuts,... is produced and for ascertaining whether the acreage planted for any year to any such commodity is in excess of the farm acreage allotment for such commodity for the farm under this title. If in the case of any farm the acreage planted to any commodity on the farm is in excess of the farm acreage allotment for such commodity for the farm, the committee shall file with the State committee a written report stating the total acreage on the farm in cultivation and the acreage planted to such commodity. (7 U.S.C. 1374 (a)).

(c) If the acreage determined to be planted to any basic agricultural commodity on the farm is in excess of the farm acreage allotment, the Secretary shall by appropriate regulations provide for a reasonable time prior to harvest within which such planted acreage may be adjusted to the farm acreage allotment. (7 U.S.C. 1374 (c)).

REGULATIONS

SEC. 375. (a) The Secretary shall provide by regulations for the

SEC. 375. (a) Continued

identification, wherever necessary, of ... peanuts, ... so as to afford aid in discovering and identifying such amounts of the commodities as are subject to and such amounts thereof as are not subject to marketing restrictions in effect under this title. (7 U.S.C. 1375 (a)).

(b) The Secretary shall prescribe such regulations as are necessary for the enforcement of this title. (7 U.S.C. 1375 (b)).

COURT JURISDICTION

SEC. 376. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this title. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute proceedings to collect the penalties provided in this title. The remedies and penalties provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law. (7 U.S.C. 1376).

PRESERVATION OF UNUSED ACREAGE ALLOTMENTS

SEC. 377. In any case in which, during any year withing the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section. (7 U.S.C. 1377; 70 Stat. 206).

UTILIZATION OF LOCAL AGENCIES

SEC. 388. (a) The provisions of section 8 (b) and section 11 of the Soil Conservation and Domestic Allotment Act, as amended, relating to the utilization of State, county, local committees, the extension service, and other approved agencies, and to recognition and encouragement of cooperative associations, shall apply in the administration to this Act; and the Secretary shall, for such purposes, utilize the same local, county, and State committees as are utilized under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended. The local administrative areas designated under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, for the administration of programs under that Act, and the local administrative areas designated for the administration of this Act shall be the same. (7 U.S.C. 1388 (a)).

(b) The Secretary is authorized and directed, from any funds made available for the purposes of the Acts in connection with which county committees are utilized, to make payments to county committees of farmers

SEC. 388. (b) Continued

to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the provisions of such Acts. All or part of such estimated administrative expenses of any such committee may be deducted pro rata from the Soil Conservation Act payments, parity payments, or loans, or other payments under such Acts, made unless payment of such expenses is otherwise provided by law. The Secretary may make such payments to such committees in advance of determination of performance by farmers. (7 U.S.C. 1388 (b)).

* * *

